(b) to (d) With a view to partially absorb the increase in the procurement prices of wheat and paddy paid to farmers during 1993-94 rabi and kharif marketing seasons and consequential increase in their procurement cost, the Central issue prices (Ex-FCI godown) of wheat and rice issued to the States/Union Territories by Food Corporation of India from the Central Pool for the Public Distribution System have been increased with effect from 1-2-1994 as under :

(Rs. per quintal)

Commodity	Central Issue Price (Ex-FCI godown) per		Increase per quintal
	Prior to 1-2-1994	from 1-2-1994	
Wheat	330.00	402.00	72.00
Rice :			
Common	437.00	537.00	100.00
Fine	497.00	617.00	120.00
Superfine	518.00	648.00	130.00

(e) to (g) The percentage variation in the Wholesale Price Index of Rice, wheat and Sugar is as under :—

Commodity	Weekly percentage variation week ending			
	22-1-1994	29-1-1994	5-2-1994	12-2-1994
Rice . .	—0.4	—0.6	+2.7	—0.8
Wheat .	+0.7	+1.0	+7.1	+1.0
Sugar . .	—0.3	+0.4	+4.6	+0.6

Open market prices are dependent on the relative position of overall supply and demand of foodgrains etc. in the market. Government has been closely monitoring the prices of foodgrains.

Compelling Circumstances for Price Hike of Essential Commodities

@@1597. SHRI VIREN J. SHAH :
SHRI PRAMOD MAHAJAN :

Will the Minister of FOOD be pleased to state :

(a) what were the compelling circumstances under which the prices of essential commodities, namely, wheat, rice, sugar, etc. were increased before the presentation of Budget;

(b) whether there has been any review of prices of essential commodities in an inter-Ministerial meeting;

(c) if so, what are the details in this regard;

(d) to what extent the hike in 'prices of essential commodities has affected the

@@Previously unstarred Q. No. 651, transferred from 28-2-94.

common people and the Public Distribution System; and

(e) what steps Government have taken or propose to take to control and check the rise in the prices ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALPNATH RAI) : (a) The Central issue price (ex-FCI godown) of wheat and rice have been increased w.e.f. 1-2-1994 to partially absorb the increase in the Procurement prices of wheat and paddy paid to farmers during 1993-94 rabi/kharif marketing seasons and consequential increase in the procurement cost.

The retail issue prices of levy sugar has been increased w.e.f. 1-2-1994 on account of increases in the Statutory Minimum Price of sugarcane for 1993-94 sugar season and conversion/distribution cost.

(b) and (c) The prices of essential commodities are under periodical review of Government, Committee of Secretaries and the recently constituted Inter-Ministerial Coordination Committee on Monitoring the prices under the Chairmanship of Secretary, Civil Supplies, Consumer Affairs and Pubic Distribution.

(d) The Central issue prices for Public Distribution System (ex-FCI godown) for wheat has been increased from Rs. 330 to 402 per quintal and that of rice from Rs. 437 to Rs. 537 per quintal for common, Rs. 497 to Rs. 617 per quintal for fine and Rs. 518 to Rs. 648 per quintal for superfine varieties with effect from 1-2-1994.

The retail levy sugar price has been raised from Rs. 8.30 to Rs. 9.05 per Kg. with effect from 1-2-1994.

(e) In order to keep the open market prices of wheat and rice within reasonable limit, the Food Corporation of India have undertaken open market sale of wheat and rice form the Central Pool. This has had a sobering effect on the prices of these commodities.

States Contribution of Rice and Wheat to Central Pool

1598. SHRI S. K. T. RAMACHANDRAN : Will the Minister of Food be pleased to state :

(a) whether the States contribute to the Central Pool for building buffer stocks of Rice and Wheat;

(b) what is the contribution of these States in the years 1990-91, 1991-92, 1992-93, and 1993-94 (upto December);

(c) what is the contribution of Rice from Tamil Nadu to the Central Pool in these years; and

(d) whether it is mandatory or obligatory for the States to contribute the surplus grains in the respective State to the Central Pool ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD (SHRI KALPNATH RAI) : (a) The Food Corporation of India (FCI) in collaboration with the State Governments State procuring agencies procure wheat and paddy for the Central Pool under prices support scheme at procurement price fixed by the Central Government. Apart from direct procurement of paddy, rice is collected for the Central Pool by way of statutory levy on rice millers and rice dealers. The percentage of levy is fixed by the State Governments taking into consideration the local conditions like production of paddy/ rice in the State, food habits of the local people, etc.

(b) Statement I and II are enclosed (*See* below).

(c) Tamil Nadu does not contribute Rice to Central Pool.

(d) As indicated above, the procurement of wheat is on voluntary basis. The collection of rice is, however, done under the statutory levy on rice millers and rice dealers.